

*Concl'd*  
*C1*

comprising nano-crystals, a particle diameter of said nano-crystals being within a range of between 1 nm and 10 nm.

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*C2*

16. (Amended) A semiconductor device comprising:

a semiconductor substrate;

source and drain regions formed apart from each other in said semiconductor substrate;

a gate insulating film formed between said source and drain regions, said gate insulating film containing a silicon compound containing oxygen, and a metal compound containing a metal other than a silicon and oxygen, said insulating film further comprising nano-crystals, a particle diameter of said nano-crystals being within a range of between 1 nm and 10 nm; and

a gate electrode formed on said gate insulating film.

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#### REMARKS

Favorable reconsideration of this application is respectfully requested.

Claims 1-4, 6-9, and 12-26 are pending in this application. Claims 14 and 15 stand withdrawn from consideration. Claims 1-4, 7-9, 12, and 13 were rejected under 35 U.S.C. § 103(a) as unpatentable over U.S. patent 6,291,867 to Wallace et al. (herein "Wallace").

Claim 6 was rejected under 35 U.S.C. § 103(a) as unpatentable over Wallace in view of U.S. patent 4,432,035 to Hsieh et al. (herein "Hsieh"). Claims 16-19 and 21-25 were rejected under 35 U.S.C. § 103(a) as unpatentable over Wallace in view of the Background of the Invention. Claim 20 was rejected under 35 U.S.C. § 103(a) as unpatentable over Wallace as applied to claim 16, and further in view of Hsieh. Claim 26 was rejected under 35 U.S.C. §